

IRS News Release

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IRS CADE Processing System Tops 15 Million Tax Returns

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WASHINGTON — One quarter of all individual tax returns so far this filing season are being processed by the Internal Revenue Service's modernized account information computer system.

Known as the Customer Account Data Engine, or CADE, the system has successfully processed 15.1 million individual tax returns through March 7, more than 25 percent of all those processed so far this year by the IRS. The number of tax returns processed this year by CADE has already topped the 11.2 million returns the system handled for all of last year.

"This system is the centerpiece of our modernization efforts at the IRS," said Richard Spires, IRS Deputy Commissioner for Operations Support. "CADE is handling significantly more tax returns each year. The long-term investment in this program is paying off with meaningful results for the American taxpayer."

CADE, which is at the core of the effort to replace many of the agency's aging systems, dramatically speeds up internal IRS processing, permitting taxpayer accounts to update on a daily basis. The older system updates only on a weekly basis.

"This supports better customer service for the taxpayers, processes refunds quicker and helps the IRS better administer the nation's tax system," Spires said.

The IRS is rolling out CADE in a series of "releases," each improving on and adding to the system capabilities. The current release, launched in January, permits CADE to process certain 1040, 1040A and 1040EZ forms, as well as schedules C, E and F for Form 1040 and a number of other IRS schedules, such as the Earned Income Tax Credit (EITC).

CADE was envisioned to replace the legacy Master File system, parts of which date back to the Kennedy Administration. CADE will eventually house the account information of more than 200 million individual and business taxpayers.

The IRS will process nearly 140 million individual tax returns in 2008 and collect approximately \$2 trillion in federal government revenue.

In addition, the IRS today issued the latest two weeks of filing season statistics

2008 FILING SEASON STATISTICS

Cumulative through the weeks ending 3/9/07 and 3/7/08

Individual Income Tax Returns	2007	2008	% Change
Total Receipts	61,124,000	63,383,000	3.7%
Total Processed	56,975,000	59,270,000	4.0%
E-filing Receipts:			
TOTAL	45,497,000	48,795,000	7.2%
Tax Professionals	32,156,000	33,419,000	3.9%
Self-prepared	13,342,000	15,377,000	15.3%
Web Usage:			
Visits to IRS.gov	81,664,000	91,686,000	12.3%
Total Refunds:			
Number	51,700,000	53,176,000	2.9%
Amount	\$129.992 Billion	\$136.976 Billion	5.4%
Average refund	\$2,514	\$2,576	2.4%
Direct Deposit Refunds:			
Number	39,088,000	41,665,000	6.6%
Amount	\$110.090 Billion	\$117.808 Billion	7.0%
Average refund	\$2,816	\$2,827	0.4%

2008 FILING SEASON STATISTICS

Cumulative through the weeks ending 3/2/07 and 2/29/08

Individual Income Tax Returns	2007	2008	% Change
Total Receipts	54,173,000	55,704,000	2.8%
Total Processed	49,691,000	51,240,000	3.1%
E-filing Receipts:			
TOTAL	41,221,000	43,777,000	6.2%
Tax Professionals	29,002,000	29,738,000	2.5%
Self-prepared	12,220,000	14,027,000	14.8%
Web Usage:			
Visits to IRS.gov	74,187,000	82,613,000	11.4%
Total Refunds:			
Number	45,420,000	46,539,000	2.5%
Amount	\$117.078 Billion	\$122.716 Billion	4.8%
Average refund	\$2,578	\$2,637	2.3%
Direct Deposit Refunds:			
Number	35,645,000	37,748,000	5.9%
Amount	\$101.540 Billion	\$107.955 Billion	6.3%
Average refund	\$2,849	\$2,860	0.4%